

Meeting Date: 11/18/2014

Report Type: Consent

Report ID: 2014-00869

Title: Allocation of Sewer Credits to Copperstone Properties, LLC for the Copperstone Villages II and III Project located at 7640 Stockton Boulevard.

Location: District 8

Recommendation: Pass a Resolution allocating 203.916 Economic Development Treatment Capacity Bank Credits to Copperstone Properties, LLC for the Copperstone Villages II and III Project located at 7640 Stockton Boulevard.

Contact: Sabrina Tefft, Project Manager, (916)808-3789, Economic Development Department

Presenter: None

Department: Economic Development Dept

Division: Citywide Development

Dept ID:

Attachments:

1-Description/Analysis

2-Background

3-Resolution

City Attorney Review

Approved as to Form

Joseph Cerullo

11/7/2014 11:43:44 AM

Approvals/Acknowledgements

Department Director or Designee: John Dangberg - 11/3/2014 5:22:51 PM

Description/Analysis

Issue Detail: The City of Sacramento’s Economic Development Department recommends approval of the attached resolution awarding 203.916 Economic Development Treatment Capacity Bank Credits (“**Credits**”) to Copperstone Properties, LLC for the project known as “Copperstone Villages II & III Project,” located at 7640 Stockton Boulevard in Sacramento (APN 117-1460-032). The project consists of 270 units of residential infill, which will be at rented at market rate. If the City Council awards the requested 203.916 Credits, then the City will have 2,807.47 Credits remaining.

Policy Considerations: Approval of the attached resolution will promote housing that furthers the City's affordable-housing and infill-development goals. The City supports such projects to make Sacramento the most Livable City in America.

Economic Impacts: None.

Environmental Considerations: The Copperstone Villages II & III Project was subject to environmental review as part of its development-application approval.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: The Sacramento Regional County Sanitation District (“**SRCS**D”) established an Economic Development Treatment Capacity Bank (the “**Bank**”) in June 2000. Creation of the Bank was made possible by SRCS D’s purchase of unused sewer capacity from industrial users (e.g., closed canneries). The Bank allocated the Credits to SRCS D’s member agencies, which in turn allocate the Credits to new development projects in accordance with SRCS D’s guidelines and their own guidelines.

Since 2001, the City has participated in the Bank under a series of agreements, the first of which was City Agreement No. 2001-054, a memorandum of understanding with SRCS D. As required by these agreements, the City Council has approved guidelines for allocating Credits, most recently by the adoption of Resolution 2006-457 in 2006. This application for 203.916 Credits meets the Council-approved guidelines for allocating Credits, because the Copperstone Villages II & III Project is a development project that qualifies as “infill” and “residential” under the City’s General Plan. The project will facilitate construction of 270 apartments with a clubhouse, creating a sustainable and livable community.

Financial Considerations: None.

Local Business Enterprise (LBE): Not applicable.

BACKGROUND:

On December 17, 2013, the City Council allocated 203.97 sewer credits to Copperstone Properties, LLC for the Copperstone Villages II & III Project (Resolution Number 2013-0406). That allocation expires on December 17, 2014, because Copperstone Properties, LLC will not have paid its sewer-impact fee to SRCSD within one year after the date of allocation, as required by the guidelines for the Economic Development Treatment Capacity Bank Sewer Credit Program. Copperstone Properties, LLC is ready to proceed with this project and is reapplying for 203.916 sewer credits.

RESOLUTION NO.

Adopted by the Sacramento City Council

AWARDING 203.916 ECONOMIC DEVELOPMENT TREATMENT CAPACITY BANK CREDITS TO THE COPPERSTONE VILLAGES II & III PROJECT, LOCATED AT 7640 STOCKTON BOULEVARD (DISTRICT 8)

BACKGROUND

- A. On March 20, 2001, the City Council approved City Agreement No. 2001-054, thereby initiating the City's participation in the Economic Development Treatment Capacity Bank (the "**Bank**") established by the Sacramento Regional County Sanitation District ("**SRCS**D"). The City Council subsequently approved amendments to City Agreement No. 2001-054 on June 20, 2006, and October 8, 2013.
- B. Under City Agreement No. 2001-054 as amended, SRCS D transferred Economic Development Treatment Capacity Bank Credits ("**Credits**") to the Bank and then allocated the Credits to the jurisdictions that were participating in the Bank, including the City.
- C. Resolution 2006-457 approved guidelines for the City Council's awarding of Credits for commercial development, Downtown, low-income, and infill / transit-oriented development projects, as well as a contingency usage.
- D. The Bank has allocated to the City a total of 8,993.1 Credits. As of November 1, 2014, the City had allocated 6,185.63 Credits to eligible projects.
- E. Copperstone Properties, LLC (the "**Recipient**") is the developer for Copperstone Villages II & III Project at 7640 Stockton Boulevard in Sacramento (APN 117-1460-032-000) (the "**Project**"), which will include 270 apartment units. The Project falls within the guidelines for granting Credits because it is a development that qualifies as "infill" and "residential" under the City's General Plan.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Council finds that the Project meets the approved guidelines for awarding Credits. Accordingly, the City Council hereby awards a maximum of 203.916 Credits to the Recipient for use on the Project.
- Section 2. Credits allocated under this resolution will expire automatically and without notice if either of the following occurs:

- (a) the Recipient has not paid its requisite sewer-impact fee to SRCSD within one year after the date of this resolution; or
- (b) the Recipient has not been issued a building permit for the Project within one year after the date of this resolution.